

Sale Name: Saddle

CT2.11# - TIMBER SUBJECT TO AGREEMENT (06/1972)

In addition, there is within Sale Area an unestimated quantity of:

Species	Product
Hardwood - Topwood	Pulpwood

that shall be Included Timber upon written agreement.

CT2.302# - BOUNDARY TREES (06/2009)

Boundary trees for all harvest units have been designated with orange paint marks above and below stump height. Boundary trees shall not be cut.

CT2.355# - INDIVIDUAL TREES, CUT TREE MARKING (06/2009)

Individual trees to be cut are Marked with indicated color above and below stump height in all or parts of the following Payment Unit(s). Areas of cut tree marking are shown on the Sale Area Map with the symbol "CTM."

PAYMENT UNIT(S)	PAINT COLOR
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CT4.211 - DOWNPAYMENT (06/2007)

The downpayment amount shown in AT15 may not be applied toward any other payment required under the provisions of this contract, except damages determined pursuant to BT9.4, transferred to other timber sales, or refunded until (a) stumpage value representing 25 percent of the total bid value of the timber sale is shown on Timber Sale Account to have been cut, removed, and paid for, or (b) the estimated value remaining to be cut and removed, as shown on Timber Sale Account, is equal to or less than the amount of the downpayment, or (c) if 36 CFR 223.49(e) is applicable, the estimated value remaining to be cut and removed, as shown on Timber Sale Account, is equal to or less than the amount of the downpayment. For lump sum timber sales, the downpayment may be applied to payment for release of the single payment unit.

If Forest Service makes a determination that this contract should not have been included under increased downpayment requirements (36 CFR 223.49(e)), the downpayment shall be revised and applied in accordance with 36 CFR 223.49(f).

CT4.212 - TEMPORARY REDUCTION OF DOWNPAYMENT (08/2009)

Notwithstanding BT4.211 or CT4.211, upon the Purchaser's written request Forest Service may temporarily reduce the downpayment when Purchaser's scheduled operations are delayed or interrupted for 30 or more consecutive days, or the contract term is extended for 30 or more consecutive days for any of the following reasons:

(1) Forest Service requests or orders Purchaser to delay or interrupt scheduled operations for reasons other than breach;

(2) Purchaser interrupts or delays scheduled operations to work on a sale designated by the Forest Service as in urgent need of harvesting; or

(3) An adjustment of the contract term authorized upon a determination of substantial overriding public interest, including a market-related contract term addition, or an urgent removal contract term extension under 36 CFR 223.53.

When Purchaser is not cutting or removing timber under contract during a qualifying period of delay, interruption, or extension listed above the downpayment may be reduced to \$1000 or 2 percent of the downpayment amount stated in the contract, whichever is greater. The Purchaser must restore the downpayment to the full amount stated in the contract within 15 days from receipt of the bill for collection and written notice from the Contracting Officer that the basis for temporarily reducing the downpayment no longer exists. Purchaser shall not cut or remove timber on a contract where the downpayment has been temporarily reduced until the downpayment amount stated in the contract is fully restored.

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CT4.4 - PAYMENTS NOT RECEIVED (08/2012)

(a) Payments are due and payable on the date of issue indicated on the bill for collection. When a payment for timber cut and other charges is not received at the location designated by Forest Service by the date specified in the bill for collection, Contracting Officer will suspend all or any part of Purchaser's Operations until payment or acceptable payment guarantee is received. Other charges include, but are not limited to:

- (i) Slash disposal and road maintenance deposits;
- (ii) Cooperative work at rates established by specific agreement under BT4.218;
- (iii) Damages pursuant to BT9.4;
- (iv) Road use fees;
- (v) Restoration of downpayment pursuant to BT4.22;
- (vi) Periodic payments pursuant to BT4.213;
- (vii) Extension Deposits pursuant to BT4.217; and
- (viii) Other mandatory deposits.

(b) Failure to pay amounts due by the date specified in the bill for collection shall be considered a breach under BT9.3. The 30-day notice period prescribed therein shall begin to run as of the end of business on the date specified for receipt of payments. If the performance or payment is guaranteed by surety bond, the surety will receive a copy of the written notification of breach. Demand will be made on the surety or other institution providing the guarantee or bond instrument for immediate payment 10 days after issuance of written notification of the breach.

(c) Pursuant to the Debt Collection Improvement Act of 1996, as amended, if payment is not received by Forest Service within 15 days after the date of issue indicated on the bill for collection:

(i) Simple interest shall be assessed at the Current Value of Funds Rate as established by the Secretary of the Treasury. Interest will begin to accrue as of the date of issue indicated on the initial bill for collection.

(ii) Debtors will be assessed administrative charges, in addition to the delinquent amount due. Administrative charges are those additional costs incurred by the Government in processing, handling, and collecting delinquent debts.

(iii) A penalty charge of six (6) percent per annum will be assessed on any portion of a debt delinquent more than 90 days. This penalty charge is in addition to interest and administrative charges under paragraphs (c)(i) and (c)(ii). The penalty charge shall accrue from the date of issue indicated on the bill for collection and shall be assessed on all outstanding amounts, including interest and administrative costs assessed under paragraphs (c)(i) and (c)(ii).

(iv) Payments will be credited on the date received by the Federal Depository or Collection Officer designated on the bill for collection.

(d) Forest Service remedies for Purchaser's failure to make payment for timber cut and other charges when due, except for accrual of interest, suspension of all or any part of Purchaser's Operations, and administrative offset, shall be stayed for so long as:

- (i) A bona fide dispute exists as to Purchaser's obligation to make such payment and
- (ii) Purchaser files and prosecutes a timely Claim.

CT5.103# - APPROACHES TO SURFACED ROADS (06/2009)

Purchaser shall apply and maintain 6 inches of #2 aggregate on all Temporary Road approaches to surfaced roads for a distance of 150 feet back from the surfaced road. Surfaced roads include those with paving.

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CT5.31# - ROAD MAINTENANCE REQUIREMENTS (07/2001)

Purchaser shall maintain roads in accordance with the following Contract Road Maintenance Requirements Summary:

**See Contract Road Maintenance Requirements Summary Table.**

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CT5.32# - ROAD MAINTENANCE DEPOSIT SCHEDULE (07/2001)

Other provisions herein notwithstanding, when Forest Service requests payment in lieu of Purchaser's performance of road maintenance, Purchaser shall make Required Deposits (16 USC 537) for current and/or deferred road maintenance. Such deposits are based on the estimated volume and distance hauled and Purchaser's commensurate use of each road listed in the Road Maintenance Plan in CT5.31#.

Purchaser and Forest Service may agree in writing on adjustment of such rates. If Purchaser uses roads under jurisdiction of Forest Service other than those listed in the Road Maintenance Plan, Forest Service shall establish rates commensurate with Purchaser's use of such roads.

The Required Deposits for Forest Service work in lieu of Purchaser performance and for deferred maintenance is: \$7.44 per CCF.

The following table lists who Purchaser will make deposits for road maintenance to, and the rate per unit of measure of the deposit. The Road Maintenance Agreement is available for inspection at the Forest Supervisor's office.

Deposit Made To	Rate	Unit of Measure
N/A		

CT5.33# - SNOW REMOVAL (06/2009)

Snow removal shall be done in a manner that will preserve and protect roads, provide for safe and efficient transport of timber, and prevent erosion damage to streams and adjacent lands. In performing snow removal, Purchaser shall adhere to the following performance standards, unless otherwise agreed:

1. Blade will be equipped with skid shoes to prevent loss of surfacing and damage to the road bed. On gravel and native surface roads, a minimum 1-inch depth compacted snow mat will be maintained on the roadbed during blading.
2. Snow shall be removed from the entire road width, including turnouts.
3. Snow berms will be reduced at road intersections where plowed road segments join unplowed road segments. Reduce the piled snow in the roadway to create a smooth transition from plowed road to normal snow depth.
4. Openings will be created in snow berms as needed for proper drainage. Remove snow, ice, and debris from culverts and other drainage structures as needed to ensure efficient flow of water.
5. Tracked or cleated vehicles will not be used for snow removal without prior written approval of Forest Service Representative.

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CT6.313# - CUTTING SCHEDULE (06/2009)

Unless changed by written agreement, only 2 (not including Payment Unit 5) Payment Units may be released at one time, and the sequence of cutting Payment Units shall be: N/A.

Unless there is agreement in writing to postpone specific requirements, all contractual requirements on a Payment Unit shall be accepted by Forest Service prior to the release of an additional Payment Unit.

CT6.314# - OPERATING REQUIREMENTS (06/2009)

Within Sale Area, unless changed by written agreement, the following operating requirements apply:

Restricted operations/activities:

No hauling allowed from Payment Units 1, 2, or 5 on Saturdays and Sundays due to recreation use in the Indian Celina area.

Haul restrictions may be enforced on the Indian Celina access road (FR 1141.000). To prevent breakup of asphalt surfaces, restrictions would limit haul and load limits during wet times of the year.

No Purchaser activity allowed in Payment Unit 5 from station 0+00 to station 09+85 on Saturdays and Sundays due to recreation use of the Two Lakes trail system.

Payment Unit 1 has a limited operating season due to a wildlife mitigation. All Purchaser mechanized operations can only occur yearly from August 1st - December 31st.

Purchaser access to Payment Unit 3 will require the Forest Service as the landowner to apply for a permit from the Indiana Department of Transportation to allow a temporary road to intersect with Indiana State Highway 62. Purchaser will give sufficient notice to the Forest Service of their planned activities in Payment Unit 3 to allow time for the Forest Service to acquire the permit. Notice will be determined in the pre-work meeting and in the Purchaser's Operating Schedule.

Prohibited operations/activities:

N/A

CT6.412 - STUMP MARKS (06/2009)

Trees designated for cutting under BT2.35 have been marked with paint at breast height and below stump height. Trees shall be felled so as to leave paint on stump.



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CT6.6# - EROSION PREVENTION VEGETATION (06/2009)

Purchaser shall establish acceptable erosion prevention vegetation on areas of ground disturbance in the Sale Area. This requirement only applies to the areas identified by the Forest Service that are a result of the Purchaser's actions. Revegetation measures shall be applied in such a manner and at times as directed by the Forest Service to establish an acceptable grass or legume cover. Failure to achieve an acceptable ground cover may result in the requirement for a second application of seed, fertilizer, etc. Seed, lime, mulch, fertilizer and other efforts will be applied as described in the following required work narrative.

Required Work:

Purchaser will rip or otherwise break up soils on landings to relieve soil compaction. Purchaser will seed and mulch landings and seed only bare mineral soil on skid trails and waterbars. Seeding will require 100 pounds per acre of annual wheat or 25 pounds per acre of annual ryegrass. Annual wheat is the preferred seed, however annual ryegrass may be used when annual wheat is unavailable. Purchaser must provide seed labels for Forest Service inspection prior to seeding to insure only annual seed is used.

CT6.63# - TEMPORARY ROAD CLOSURE (06/2009)

Notwithstanding Standard Provision BT6.63, measures to effectively block temporary roads to normal vehicular traffic shall consist of the following:

In Payment Unit 3, Purchaser shall scatter slash in the temporary road from a distance of 100 feet from the intersection of the temporary road with Indiana State Highway 62. The slash shall be large enough to effectively block the road, and not be easily removable.

In Payment Unit 3, Purchaser will remove culverts and restore the ditch line adjacent to Indiana State Highway 62.

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CT6.7# - SLASH DISPOSAL MEASURES (06/2009)

Slash resulting from Purchaser's operations shall be removed from lakes, ponds, private land, right-of-way clearings for telephone lines, power lines, pipelines, and other authorized facilities, and landings to be seeded under Special Provision CT6.6#.

The tops of felled trees shall not be left hanging in standing trees. All trees cut or pushed for landing and other construction clearings shall be completely felled and not left leaning. Slash resulting from construction clearing shall be treated concurrent with operations.

Slash Disposal treatment zones are shown on the Sale Area Map with symbol "SDZ."

Other specific slash disposal requirements are as follows:

In Payment Unit 5 within 25 feet of Indian Celina Road (FR 1141.000) and the Two Lakes Recreation Trail, Purchaser shall lop and scatter all slash resulting from Purchaser's operations to lie within 3 feet of the ground. Slash may lie within 5 feet of the ground to close skids trails and landings where designated by the Forest Service.

In Payment Unit 3 within 100 feet of Indiana State Highway 62, Purchaser shall lop and scatter all slash resulting from Purchaser's operations to lie within 3 feet of the ground. Slash needed to close the temporary road accessing this Payment Unit can be left 5 feet high where designated by the Forest Service.

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CT7.2 - FIRE PRECAUTIONS (06/2009)

Unless other methods are agreed to in writing between the Purchaser and the Contracting Officer, the following specific precautionary measures are applicable during Purchaser's Operations in Fire Precautionary Period indicated in AT9.

1. Purchaser shall maintain Forest Service-approved spark arresting device on any piece of equipment operated by an internal combustion motor. In addition, each piece of motorized equipment shall be equipped with a serviceable round-pointed shovel and an operational fire extinguisher of at least five-pound rating suitable for the equipment being used. All chainsaw operators will have a serviceable round-pointed shovel and a one-pound multipurpose fire extinguisher readily available.
2. Purchaser shall require that smoking and the building of lunch or warming fires by Purchaser's employees, contractors, or employees of contractors be confined to designated safe places where flammable debris has been cleared away and where, at the option of the Purchaser, smoking or the building of lunch or warming fires may be permitted.
3. Adequate spark arresters shall be maintained on chimneys or stovepipes where wood or coal is being burned in an enclosed device.
4. Purchaser shall furnish serviceable firefighting tools. Location, numbers, and types of tools shall be specified in the Fire Prevention and Control Plan in accordance with BT7.1.

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CT8.212 - MARKET-RELATED CONTRACT TERM ADDITION (11/2008)

The term of this contract may be adjusted when a drastic reduction in wood product prices has occurred in accordance with 36 CFR 223.52. The Producer Price Index used to determine when a drastic reduction in price has occurred is stated in AT17. Purchaser will be notified whenever the Chief determines that a drastic reduction in wood product prices has occurred. If the drastic reduction criteria specified in 36 CFR 223.52 are met for 2 consecutive calendar quarters, after contract award date, Contracting Officer will add 1 year to the contract term, upon Purchaser's written request. For each additional consecutive quarter such a drastic reduction occurs, Contracting Officer will, upon written request, add an additional 3 months to the term during Normal Operating Season, except that no single 3-month addition shall extend the term of the contract by more than one year. Contracting Officer must receive Purchaser's written request for a market-related contract term addition before the expiration of this contract.

No more than 3 years shall be added to a contract's term by market-related contract term addition unless the following conditions are met:

(i) The sale was awarded after December 31, 2006; and

(ii) A drastic reduction in wood product prices occurred in at least ten of twelve consecutive quarters during the contract term, but not including the quarter in which the contract was awarded.

For each qualifying quarter meeting the criteria in paragraphs (i) and (ii) of this provision, the Forest Service will, upon the Purchaser's written request, add an additional 3 months during the normal operating season to the contract, except no single 3-month addition shall extend the term of a contract by more than 1 year.

In no event shall a revised contract term exceed 10 years as a result of market-related contract term addition.

Additional contract time may not be granted for those portions of the contract that have a required completion date or for those portions of the contract where Contracting Officer determines that the timber is in need of urgent removal or that timber deterioration or resource damage may result from delay.

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CT8.231# - ADDITIONS OF NET GROWTH (06/2009)

When contract extension is at the request of Purchaser, net growth will be calculated and added to the quantities in AT4c for the elapsed full growing seasons since sale award. This applies to the total estimated quantity in AT4c for all Payment Units except:

(a) Payment Units for Specified Roads Released for Cutting on which clearing has begun; and

(b) Two other Payment Units Released for Cutting from which timber removal from Sale Area has begun. In the event there are more than two Payment Units Released for Cutting from which timber removal has begun, the Payment Units excepted from the addition of growth will be the two from which the greatest estimated proportion of quantities has been removed.

Payment for the additional growth in partially cut Payment Units for which growth is applicable shall be made prior to the effective date of Contract Term Extension.

Applicable growing season growth percents by species or species groups and products are:

Species/Species Group(s)	Product	Annual Net Growth (Percentage)
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Growth will be calculated on the basis of full growing seasons from date of extension. The growing season is considered to be, inclusively, from April 1st to October 1st.

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CT8.71 - TRIPARTITE LAND EXCHANGE (04/1999)

Purchaser agrees that timber values for which cash payment is required under BT4.0 may be applied to any land exchange transaction authorized by law under which the owner of offered lands agrees to accept the money value of timber sold for the value of land granted to the United States.